

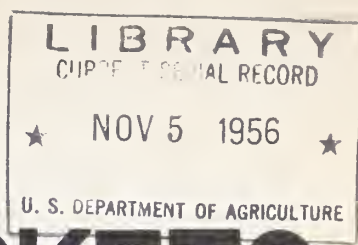
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# Foreign



# CROPS AND MARKETS

VOLUME 73

FOR RELEASE MONDAY, OCTOBER 22, 1956

NUMBER 17

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FOREIGN CROPS AND MARKETS

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## NORWEGIAN OUTPUT OF TOBACCO PRODUCTS UP

Output of tobacco products in Norway continued upward through the first half of 1956. Cigarette output was 4.3 percent larger than the January-June 1955 level of 722 million pieces. Production of cigars totaled 6.8 million pieces as compared with 6.6 million last year. Output of the other products was also 4 percent greater than the first 6 months of last year.

HONG KONG'S TOBACCO IMPORTS  
SLIGHTLY ABOVE FIRST HALF '55

Hong Kong's imports of unmanufactured tobacco in the first half of 1956, totaling 4.25 million pounds, were only slightly above the January-June 1955 level of 4.17 million pounds. Most of the increase occurred in larger takings from Thailand and the Federation of Rhodesia and Nyasaland. Imports of United States leaf, principally flue-cured and Burley, were about 8 percent below the 2.5 million pounds imported during the first 6-months last year. Leaf takings from Communist China, Japan and India, presumably flue-cured, were also below the January-June 1955 levels. It is significant that takings from Thailand, totaling 895,000 pounds, are the first reported imports from that country.

AUSTRIAN OUTPUT OF TOBACCO  
PRODUCTS UP 19 PERCENT

Output of tobacco products by the Austrian Tobacco Monopoly in the first 5-months of 1956 totaled about 8.7 million pounds -- up 19 percent from the 7.3 million pounds produced during the comparable period of 1955. Cigarette output was 21 percent larger than the January-May 1955 level of 2.7 billion pieces. Production of cigars, smoking tobaccos, snuff and chewing were 13.4, 7.4 and 21.6 percent, respectively, above the first 5 months of last year.

YUGOSLAV CIGARETTE OUTPUT  
CONTINUES UPWARD

Cigarette output in Yugoslavia is expected to continue its upward trend through 1956, according to a recent report. The 1956 production of cigarettes is placed at 35.7 million pounds, or slightly larger than the 1955 level of 35.2 million pounds. Cigarette production continues to increase at the expense of the other products and accounts for 99 percent of total output. The retail price of the most popular brand of Yugoslav cigarettes "Morava" is 50 dinars (16.7 U.S. cents) per pack of 20.

GREEK 1956 TOBACCO PRODUCTION  
REVISED DOWNWARD

The 1956 tobacco crop in Greece is now placed at about 165 million pounds, or about 20 million pounds below earlier estimates. Export grades from this year's crop should amount to about 143 million pounds. Latest figures for 1955 indicate that a crop of about 223 million pounds was produced, of which about 211 million consisted of marketable tobacco.



About 23 million pounds of 1955-crop leaf had been purchased under the Government's price-support plan by September 1 of this year. As of the same date, tobacco growers had sold 177 million pounds out of the total marketable 1955 production of 211 million.

#### ITALIAN TOBACCO TRADE DOWN IN FIRST HALF OF 1956

Italian imports of leaf tobacco in the first half of 1956 totaled 7.8 million pounds, 8.8 million pounds less than the 16.6 million pounds imported during the corresponding period of 1955. Most of the decline occurred in reduced takings from the United States, Bulgaria and Turkey. However, takings of Greek leaf were 16 percent larger than the January-June 1955 level of 2.2 million pounds.

Exports of Italian leaf during the January-June period of 1956 were down 32 percent from the 12.1 million pounds exported last year. Most of the decline occurred in reduced shipments to France, Soviet Union and West Germany. Countries stepping-up their purchases of Italian leaf include the United States, Switzerland, Sweden and the Netherlands. Shipments to the latter countries, totaling 4.7 million pounds, were 2.2 million pounds greater than the January-June 1955 level of 2.6 million pounds.

#### Italy: Trade in leaf tobacco during the January-June periods, 1955-56

Country	Imports		Exports	
	January-June	January-June	January-June	January-June
	1955	1956	1955	1956
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Bulgaria.....	5,791	2,425	--	--
West Germany.....	---	--	2,402	1,462
Greece.....	2,232	2,589	--	--
Netherlands.....	--	--	884	1,427
France.....	--	--	1,722	1/
Sweden.....	--	--	1/	549
Switzerland.....	--	--	889	1,069
Turkey.....	3,398	2,448	--	--
United States.....	2,446	60	806	1,693
Soviet Union.....	--	--	2,876	1/
Other.....	2,750	232	2,518	1,985
Total.....	16,617	7,754	12,097	8,185

1/ If any, included in other.

Source: Statistica Mensile Del Commercio Con L'estero, June 1956

#### SMALLER FLUE-CURED CROP RECOMMENDED IN RHODESIA

According to The Rhodesian Tobacco Journal, the Council of the Rhodesian Tobacco Association, after study of current tobacco marketing problems, has recommended that a target of 150 million pounds of flue-cured leaf be set for the 1956-57 season. This would be 10 million pounds less than the quantity harvested in Southern and Northwestern Rhodesia in 1955-56. The lower target obviously implies that growers should plant smaller acreages.

The Council also recommends that: (1) a Federal Trade Commissioner be appointed at Geneva, Switzerland, with a tobacco attache who must travel about Europe with power to negotiate tobacco sales at Government level; (2) the agricultural attache at Rhodesia House (London) be freed from routine work in order to fulfill his primary function of encouraging the use of Rhodesian leaf; (3) a Federal Trade Commissioner be appointed at Hong Kong to encourage tobacco sales in the Far East.

#### BRAZILIAN COFFEE PRODUCTION

The Ministry of Agriculture recently released an estimate of Brazil's coffee production for the year 1956. The estimate shows a total anticipated production of 17,776,000 bags. With an internal unregistered consumption of roughly 3 million bags, the estimate would indicate registrations of 14.8 million bags for the season 1956-57. This compares with 1956-57 registered production estimates of 16.4 million bags (Foreign Agricultural Service), 11-13.5 million bags (trade estimates) and 10-11.8 million bags (Brazilian Coffee Institute).

Coffee registrations between July 1 and September 20, 1956 totalled 4,514,000 bags. For the comparable periods, 1954 and 1955, registrations totalled respectively 6,638,000 bags and 9,095,000 bags. The total for 1956 includes 2,638,000 bags for Sao Paulo, 650,000 bags for Parana and 1,226,000 bags for the other areas.

#### NEGOTIATIONS CONCLUDED FOR \$3-MILLION WORLD BANK LOAN TO COSTA RICA

Costa Rica has concluded negotiations with the International Bank for Reconstruction and Development (IBRD) for a loan of \$3 million. The loan is to be made available through the national banking system to grant credit assistance in importing capital goods for light industry, agriculture and cattle raising. The loan, the first granted by the World Bank to Costa Rica, will not become effective until a Guaranty Agreement, stipulated by the Bank, is ratified by the Legislative Assembly.

## NORTHERN HEMISPHERE APPLE CROP LARGER, BUT PEAR CROP SMALLER

Apples. The 1956 apple crop in North America is about 16 percent smaller than in 1955. In the United States, the better prospects in the Central States are more than offset by reduced crops in the Eastern and Western States. Severe winter injury occurred in the Northwest and a combination of poor pollination and late freezes adversely affected the "set" in Eastern areas.

In Canada the prospective crop is below average and well below last year's bumper production. In British Columbia, young trees up to 10 years of age were killed by the severe winter weather; older trees suffered severe bud and spur injury. A late frost in the Quebec area has reduced the crop there 30 percent.

The European apple crop appears to be the largest in several years. West Germany reports a normal crop, recovering from the small production last year. The crop in Italy is slightly larger than last year's record. Trees planted soon after the war are coming into bearing and the trend in production should continue upward for several years. Quality is fair to good, but exporters expect to meet keen competition in their principal northern European markets because of larger crops in that area.

The Austrian crop is large, but quality is below average because of scab and hail damage. There is a large production of choice apples and particularly of American varieties planted after the war, and this trend should continue as the new plantings increase in bearing surface. Quality, size and color of the French fruit is normal. Yugoslavia, one of the smaller European producers, expects a crop 60 percent below last year's. Many fruit buds were killed during the disastrous February freezes. Much of the remaining fruit is seriously infected with the San Jose scale, leaving very little or practically no production available for export. In the Netherlands, a very good crop is in prospect. It is expected to top last year's record outturn.

The smaller total European production of cider apples is accounted for by the reduced French crop, as both Austria and the United Kingdom reported somewhat larger crops for this season than in 1955.

Pears. The larger pear crop in North America reflects the increase in the United States crop while the Canadian crop is slightly smaller than last year. The total pear crop in the United States is 6 percent larger than in 1955 and 4 percent above average. The Bartlett crop in the 3 Pacific Coast States is expected to total 20.5 million bushels, more than 8 percent above average. Adverse weather and the poor initial set of fruit in the principal producing areas is responsible for the smaller crop in Canada.



Apples: Production in specified countries, averages 1935-39 and 1945-49,  
annual 1953-56

Continent and country	Averages		1953	1954	1955	1956 1/
	1935-39	1945-49				
<u>1,000 bushels</u>						
NORTH AMERICA						
Canada .....	14,560	14,818	11,731	14,510	19,142	11,614
Mexico .....	1,231	2,029	2,558	2,578	2,572	*2,500
United States .....	127,311	104,279	93,307	111,765	106,234	93,433
Total .....	143,102	121,126	107,596	128,853	127,948	107,547
EUROPE						
Austria:						
Dessert and						
cooking .....	7,095	8,008	7,165	7,452	12,079	11,023
Cider .....	6,291	7,101	3,858	2,829	4,317	4,592
Belgium-Luxembourg :	5,721	9,129	14,580	12,245	9,948	8,927
Denmark .....	2,818	7,303	6,614	11,804	6,935	10,679
Finland .....	1,008	546	689	1,148	*700	*1,000
France:						
Dessert and						
cooking .....	10,499	13,630	21,343	20,024	20,080	21,120
Cider .....	153,973	71,444	153,229	138,422	142,390	126,400
Germany, Western ..	36,116	37,890	57,100	73,900	35,800	71,200
Greece .....	374	1,203	2,517	2,544	1,654	*2,500
Italy .....	12,923	19,849	39,476	39,499	55,516	57,411
Netherlands .....	3,631	9,452	14,348	17,798	9,646	14,191
Norway .....	1,080	1,073	1,475	3,187	2,016	*3,000
Spain .....	5,411	5,859	8,134	7,155	8,038	7,349
Sweden .....	4,770	6,164	5,970	9,691	5,466	9,278
Switzerland .....	16,452	20,300	15,616	28,476	11,482	*25,000
United Kingdom:						
Dessert and						
cooking .....	10,597	19,705	24,943	23,655	18,060	24,000
Cider .....	3,427	4,078	3,435	2,618	1,867	2,800
Yugoslavia .....	7,098	7,490	8,507	4,168	11,482	4,593
Total cider ..	163,691	82,623	160,522	143,869	148,574	133,792
Total other ..	125,593	167,601	228,477	262,746	208,902	271,271
Total Europe ..	289,284	250,224	388,999	406,615	357,476	405,063
Total specified countries (excluding: cider) .....	268,695	288,727	336,073	391,599	336,850	378,821

1/ Preliminary.

\* Office estimate.

Pears: Production in specified countries, averages 1935-39 and 1945-49,  
annual 1953-56

Continent and country	Averages		1953	1954	1955	1956 1/
	1935-39	1945-49				
1,000 bushels						
NORTH AMERICA						
Canada .....	569	873	1,435	1,261	1,510	1,414
Mexico .....	331	596	766	755	767	*750
United States .....	28,693	33,108	29,081	29,536	29,622	31,311
Total .....	29,593	34,577	31,282	31,552	31,899	33,475
EUROPE						
Austria:						
Dessert and						
cooking .....	950	1,380	1,444	1,582	2,028	1,543
Cider .....	5,416	5,885	5,646	4,004	6,261	6,614
Belgium-Luxembourg :	2,126	5,204	11,468	9,177	9,177	6,622
Denmark .....	480	855	672	1,165	627	672
France:						
Dessert and						
cooking .....	1,760	5,447	6,768	6,534	8,300	6,200
Cider .....	21,776	11,165	23,946	21,633	23,180	20,600
Germany, Western ..	11,891	13,370	19,300	17,300	15,700	13,800
Greece .....	878	1,220	1,758	1,710	1,266	*1,500
Italy .....	8,482	11,243	18,184	15,534	19,397	17,637
Netherlands .....	1,570	5,582	5,639	7,055	4,189	4,099
Norway .....	174	194	171	292	397	*300
Spain .....	3,057	2,609	3,377	3,372	3,527	3,527
Sweden .....	1,063	1,102	1,279	1,587	750	1,675
Switzerland .....	7,037	11,728	11,905	9,700	14,109	*12,000
United Kingdom:						
Dessert and						
cooking .....	782	1,492	1,586	1,581	2,240	2,508
Cider .....	237	272	215	242	112	*100
Yugoslavia .....	2,773	3,050	4,336	2,121	2,469	*1,100
Total cider ..	27,429	17,322	29,807	25,879	29,553	27,314
Total other ..	43,023	64,476	87,887	78,710	84,176	73,183
Total Europe ..	70,452	81,798	117,694	104,589	113,729	100,497
Total specified countries (excluding: cider) .....	72,616	99,053	119,169	110,262	116,075	106,658

1/ Preliminary.

\* Office estimate.

In Europe, smaller crops are expected in all of the major producing countries. In Italy, a drop in production occurred principally among early varieties. In general the quality of the pear crop is about average. In Western Germany a smaller and low-quality crop is the result of winter freezes, late frosts, excessive rains and hailstorms, and lack of sufficient sunshine.

Of the smaller producing countries, the United Kingdom reports a somewhat larger and considerably better than average quality crop. Pears appear to have suffered less damage from the strong gales that occurred this summer than did the apples. In Yugoslavia, as in the case of apples, the pear crop was substantially reduced by the February freezes. Sweden appears to have regained her 1954 production level after an unusually small crop last year.

The European production of cider pears is slightly lower because of a decreased production in France.

#### INDIA PLANS MILK COLONY FOR MADRAS

India's newest milk colony is to be established by the end of next year at Madhavaram, 8 miles from Madras, a city with a population of 1.4 million. The Madhavaram project will have sheds for about 7,000 milk animals, which are presently within the city limits. The colony will reportedly supply 150,000 pounds of milk per day, or about 38 percent of the city's requirements.

Establishment of this colony is part of the dairy expansion program under India's Second 5-year Plan (See Foreign Crops and Markets, August 20, 1956)

#### WORLD MILK PRODUCTION UP IN 1956

On the basis of reports from 22 primary dairy countries, world milk production during 1956 will be 2 percent above the 1955 level. The reporting countries, which account for more than 60 percent of the world's milk output, will approximate 381 billion pounds, compared to 372 billion in 1955.

The gain is fairly general. Primary interest is in the increased production in Europe, following the general decline occasioned in 1955 by drought conditions.

(See table on following page)



Cows' milk: Estimate of 1956 production in important producing countries, with comparisons

Country	Average 1934-38	Average 1946-50	Annual		
			1954	1955	1956 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
Canada.....	<u>2/</u> 15,284	16,844	16,902	17,277	17,600
Mexico.....	<u>3/</u> 3,000	3,086	3,882	4,177	4,600
United States.....	104,930	117,297	122,094	123,554	127,000
Cuba.....	<u>2/</u> 1,010	1,122	1,653	1,675	1,690
Austria.....	<u>4/</u> 5,602	3,726	5,597	5,584	5,800
Belgium.....	6,790	6,219	8,165	8,283	8,450
Denmark.....	<u>5/6/</u> 11,684	10,181	11,892	11,321	11,300
Finland.....	5,587	4,149	6,425	6,381	7,000
France.....	33,000	27,256	42,903	40,406	39,400
Germany, Republic of.....	<u>6/7/</u> 33,069	<u>8/</u> 24,993	37,595	37,273	38,100
Greece.....	<u>5/</u> 251	<u>9/</u> 269	587	701	725
Ireland.....	5,090	4,800	5,500	5,253	5,300
Italy.....	<u>10/</u> 11,500	<u>11/</u> 15,000	16,949	17,949	18,000
Luxembourg.....	318	<u>8/</u> 346	401	395	400
Netherlands.....	11,180	10,109	12,967	12,832	13,000
Norway.....	<u>5/6/</u> 2,954	3,116	3,644	3,655	3,725
Sweden.....	<u>5/6/</u> 10,238	10,245	9,634	9,173	8,880
Switzerland.....	5,680	4,951	6,153	6,202	6,400
United Kingdom.....	18,424	20,394	24,196	23,834	25,800
Argentina. <u>12/</u> .....	<u>13/</u> 6,826	<u>8/</u> 7,762	10,580	11,183	11,200
Australia <u>14/</u> .....	<u>4/</u> 11,780	12,206	13,174	14,017	15,105
New Zealand.....	<u>6/</u> 10,176	9,487	10,905	11,220	11,780

1/ Preliminary. 2/ Average 1935-39. 3/ For 1940. 4/ For 1934. 5/ Average 1933-37. 6/ Year ending June 30. 7/ Average 1935-38. 8/ Average 1948-50. 9/ Average 1947-50. 10/ Includes an estimate of milk fed to livestock. 11/ For 1950. 12/ Milk for commercial use only; does not include milk consumed on farms nor milk fed. 13/ For 1938. 14/ Excludes milk fed to livestock.

Foreign Agricultural Service. Prepared or estimated from official statistics, reports of Agricultural Attaches and other U. S. representatives abroad and other information.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crops and Livestock Statistics.



# VEITNAM GOVERNMENT FREES SWEETENED CONDENSED MILK PRICES FROM CONTROL

The Vietnam Department of National Economy announced new regulations regarding the sale of imported sweetened condensed milk in authorized retail outlets in the Saigon-Cholon area, effective September 17, 1956. With the exception of several infants' and dietetic brands, the price of sweetened condensed milk was freed of Government control. The quantity limitation, however, is 5 cans per customer. Temporarily, sale of milk is not authorized for cafes, bars, and pastry shops and transport of milk beyond the Saigon-Cholon area is still subject to control.

The announcement also stated than an adequate amount of milk is being imported and requested that the public buy only the amount necessary for their immediate needs. Stocks in September totaled 3.8 million pounds and an additional 2 million pounds were expected to be imported before the month's end. A properly managed import program will bring an end to waiting lines which have reportedly formed in the past outside of retail outlets selling the milk.

Spot checks in various stores indicate that the retail price of sweetened condensed milk is 12.5 piasters per can or 35.6 cents at the official rate of exchange.

## DUTCH EXPORTS OF DAIRY PRODUCTS SHOW GAIN

Over-all exports of manufactured dairy products from the Netherlands in the first half of 1956 were approximately 10 percent above the same period of 1955, despite declines in shipments of butter and non-fat dry milk solids. Exports of butter dropped to 24.9 million pounds from 35.8 million pounds a year ago. The United Kingdom remained the principal market, although receiving only 10.0 million pounds in January-June, 1956, compared with 12.3 million pounds last year. Shipments to Belgium and Western Germany also showed a marked decrease.

Cheese exports at 96.5 million pounds were 5 percent above last year. Western Germany took 40.5 million pounds, an increase of 5.0 million pounds over January-June, 1955. Shipments to the United Kingdom were somewhat higher, but those to Belgium, another important market, declined.

The upward trend in exports of condensed milk continued, with Thailand, Indonesia and the Republic of the Philippines remaining the principal outlets. Total shipments during the first half of 1956 were 262.4 million pounds compared with 225.5 million pounds last year. There was little change in the level of exports of non-fat dry milk solids, which in January-June, 1956 were 8.0 million pounds, compared with 7.9 million pounds a year earlier.

MEXICAN LIVESTOCK LOAN APPROVED  
BY EXPORT-IMPORT BANK

The Export-Import Bank of Washington on October 10 authorized a loan of \$5 million to Mexico for the purchase of beef and dairy cattle in the United States.

Cattle will be purchased directly from U. S. livestock owners as promptly as possible for use in several states of Mexico. These cattle will be used for up-grading Mexican herds, a practice which has been increasing in Mexico in recent years.

Not less than \$3,750,000 will be used for purchase of beef cattle to be used for breeding purposes. Up to \$1,250,000 of the loan may be used for the purchase of United States dairy cattle.

The loan was approved in favor of Banco Nacional de Credito Agricola, S.A., Mexico City, D.F. which will re-lend funds to individual Mexican livestock purchasers in Sonora, Durango, Chihuahua, Coahuila and other states. It is unconditionally guaranteed by the Mexican Government. The loan is repayable in four annual installments commencing approximately December 1, 1957.

"BLUE TONGUE" DISEASE  
HITS SPAIN

A South African strain of "Blue Tongue" disease in Spain has caused the death of 50,000 sheep in recent months. The disease has spread to the provinces of Badajoz, Caceres, Seville, Huelva, Cadiz, Salamanca, Cordoba, Avila, Albacete and Ciudad Real. It is still not under control but vaccination has greatly retarded its spread. The Government is carrying out a compulsory slaughter campaign of infected animals. Indemnity payments for diseased sheep are about equal to their market value.

The serious outbreak of the disease in sheep will tend to reduce Spain's short meat supplies and additional imports of wool will be required. This year Spain will produce around 88 million pounds of wool, greasy basis. Last year Spain imported 6.3 million pounds and exported only 3 million. Spain is the second largest producer of sheep in Western Europe.

A few cattle in Spain are reported to have been infected with "Blue Tongue."

KARAKUL WOOL AUCTION OPENS  
IN WINDHOEK, SOUTH WEST AFRICA

The first Karakul wool auction in Windhoek, South West Africa, was scheduled to be held in late September. It was to be followed by regular sales at monthly intervals with approximately 3,000 bales offered at each sale.

South-West African farmers have been shipping their Karakul a considerable distance to the Port Elizabeth auction. The Windhoek auction will reportedly save farmers as much as \$8.40 per bale in freight rates. This new auction will also release a large number of trucks for the transportation of livestock from South West Africa to the Union.

#### BUENOS AIRES TAKES OVER NATIONAL PACKING PLANT

On October 2, 1956 the city of Buenos Aires took possession of the public livestock market and the Frigorifico Nacional packing plant. This was in line with the government's policy of decentralizing the administration of the government meat-packing plant and market. During the previous regime, and later, both were administered by the national government.

Frigorifico Nacional was established to supply the city of Buenos Aires. It was accorded special consideration over the other packers at various times, especially when slaughter supplies were short and slaughtering was operating on limited killing schedules.

Apparently the new administration of the packing plant will not affect its major objective nor the extent of the special consideration it will receive. The plant is now called Frigorifico Municipal.

#### ARGENTINE WOOL PRICE HITS RECORD PEAK

Twenty-eight metric tons of high grade Argentine Merino wool were sold at the record price of \$1.01 per pound on October 3. The 1956-57 wool season which began October 1 has been marked by substantially higher prices for all types of wool. Prices for fully grown wool were 63 percent above the highest price received for the 1955-56 wool clip while lamb and belly wools were 40 percent higher.

Higher prices are attributed primarily to the more favorable exchange rates this season. Strong local demand plus interest in the export market are also contributing factors.

#### CHILEAN CATTLE PRODUCERS OPPOSE CATTLE IMPORTS

The Agricultural Society of Chile has requested the president of the country to suspend imports of cattle from Argentina. The Society reported that unrestricted imports of cattle were being allowed entry at a time when domestic livestock producers were adequately meeting consumer demand for meat.



On August 1, 1956 the Chilean government suspended import duties on frozen meat and meat products (See Foreign Crops and Markets, September 24, 1956). It is reported to be favoring imports of cattle rather than beef from Argentina.

#### U.S.S.R. NEGOTIATING IMPORT QUOTA FOR ARGENTINE WOOL

Russia is negotiating new import quotas for Argentine wool, according to trade sources. The volume of wool involved is believed to be large and is in addition to purchases made earlier in September (see Foreign Crops and Markets, October 8, 1956).

With the continued firm demand for wool Argentine exporters are confident that exportable surplus from 1956-57 clip can be disposed of at or above prices received during the 1955-56 season.

The large carry-over of October 1, 1955 is believed to have been sold along with the exportable surplus from the 1955-56 clip. Therefore, the total quantities available for export this season (even with production some 40 million larger) will be below the quantities available during the 1955-56 season. Exporters in September were reportedly contracting for wool on the sheep's back. Prices for this unshorn wool in Buenos Aires province were reported to range from 60-74 cents per pound for fine crossbred wool.

#### CUBA INCREASES EXPORTS OF AVOCADOS AND GRAPEFRUIT TO U. S.

Cuba shipped a record of 205,000 crates (38 pounds net weight) of avocados to the United States during the 1956 marketing season (June 21 to September 27). All of the avocados were inspected by U. S. Department of Agriculture inspectors in accordance with marketing agreement regulations.

Exports of grapefruit during the season August 25 to September 28 amounted to 52,000 boxes compared to 50,000 boxes last season. Dry weather during the growing season and the higher quality standards in the United States market tended to lower the total quantity exported.

#### PLANTED ACREAGE OF WINTER VEGETABLES IN MEXICO INCREASED

The preliminary acreage of winter vegetables planted in Mexico is above that of last year. In the El Mante area, there is a substantial increase over the two previous seasons, but it is below the 1953-54 acreage. The acreage in the El Mante area during the two previous seasons was low because of storm damage particularly during the planting season.



MEXICO: Acreages planted to vegetables  
1953-56

Area and Commodity	Acreage Planted			
	1953-54	1954-55	1955-56	1956-57 <u>1/</u>
- - - Acres - - -				
West Coast				
Tomatoes.....	40,900	38,120	39,580	42,750
Bell peppers.....	5,900	5,450	2,530	5,000
Peas.....	2,100	2,620	1,930	2,500
Cantaloupes.....	4,040	3,860	4,440	5,000
Watermelons.....	1,350	4,670	4,620	5,500
Snap beans.....	--	180	180	500
Misc. vegetables.....	250	1,150	--	500
Total.....	54,540	56,050	53,280	61,750
El Mante				
Tomatoes.....	16,800	2/ 7,900	2/ 6,000	15,000

1/ Preliminary

2/ Acreage reduction was partially due to unfavorable weather at planting time.

#### OPENING PRICES OF SPANISH ORANGES HIGH

The first offerings of Navel oranges in the Valencia area of Spain were quoted at \$5.60 to \$6.30 a box f.o.b. Spain.

#### NEW MILK PLANT TO BE CONSTRUCTED IN YUGOSLAVIA

Construction of a milk-pasteurizing and processing plant is among the projects recently announced in a Yugoslavia-United States agreement to release slightly over 2 billion dinars (\$6.8 million) of counterpart funds from the special account of the Federal People's Republic of Yugoslavia. The dinar funds are to be released from dollar-grant aid made to Yugoslavia by the United States during fiscal years 1953 and 1954. The dinar equivalent of \$80,000 will cover the construction of the plant and the cost of locally produced equipment. The remainder of the equipment will be donated by UNICEF (United Nations Children's Fund).

The milk plant is to be constructed in Zemun, and its output will be used to supplement the Belgrade milk requirements. The minimum daily needs of the city have been estimated at 113,600 quarts per day, while present production amounts only to about 25 percent of this figure. The daily output of the new plant is estimated at 37,900 quarts per day, which will alleviate the fluid milk situation but still fall short of meeting minimum needs.

The milk supply is to come from an area west of Belgrade, about 70 miles in diameter. About 20 percent of the milk received is expected to be of poor keeping quality and will be utilized in the manufacture of butter, cheese, and other dairy products. The remaining 80 percent will be used for pasteurized, bottled milk distribution.

#### CANADA'S COTTON CONSUMPTION DROPS IN SEPTEMBER

Canada's cotton consumption in September 1956 amounted to 30,000 bales (500 pounds gross), declining 6 percent from August consumption of 32,000 bales and 12 percent below consumption of 34,000 bales in September 1955. This reversal of the usual seasonal trend results in the lowest figure for September since 1947.

#### INDIA OPENS NEW STORE FOR HANDLOOM FABRICS

The All India Handloom Fabrics Marketing Cooperative Society has opened a large sales store in Bombay to popularize these fabrics in urban areas. Handloom cloth is woven by hand from mill-spun yarn, whereas Khadi (cloth) is handwoven from handspun yarn. The new Handloom House will carry a wide variety of fabrics ranging from utility goods costing less than 21 cents per yard to expensive brocades.

The numerous patterns of clothing and household goods of variegated designs and prints stocked are representative of the fabrics woven by handlooms in the different parts of India. Using a Western decor and modern methods, the store is expected to promote the market for handloom cloth, especially for the Western community in Bombay and for foreign tourists.

#### COTTON PRODUCTION IN EL SALVADOR DECLINES FROM LAST YEAR

Cotton production in El Salvador is estimated at 110,000 bales (500 pounds gross) for the 1956-57 crop year, a decline of 20 percent from last year's crop of 132,000 bales. Acreage for the 1956-57 crop was estimated at 94,000 acres, a decline of 16 percent from the 112,000 acres harvested in 1955-56. Much of the reduction in area occurred in marginal land.

El Salvador's cotton acreage has doubled in the last 6 years, and cotton production has increased fourfold. The higher yields attained during the period are attributed to improvement in cultivation practices, use of better seed, and increased use of fertilizer and insecticides. The smaller 1956-57 cotton crop in El Salvador, as in other Central American countries, where production has increased greatly in recent years, is attributed to lower export prices for cotton in 1955-56, and to a shift of the marginal land to purposes other than cotton production. All of the cotton grown in El Salvador is of American Upland type, most of which has a staple length of about 1-1/16 inches. United States standards are used in classification and marketing.

EL SALVADOR: Cotton acreage, production, and yield per acre,  
1950-56

Year beginning August 1	Acreage	Production	Yield per acre
	1,000 acres	1,000 bales <u>1/</u>	Pounds lint
1950.....	47	27	276
1951.....	72	42	280
1952.....	71	47	318
1953.....	54	57	507
1954.....	73	90	592
1955.....	112	132	566
1956 est. ....	94	110	562

1/ Bales of 500 pounds gross.

Cotton consumption in El Salvador has amounted to approximately 12,000 bales annually in recent years. This consumption may double, however, when the new spinning and weaving mill, built with joint Salvadoran and Japanese participation, gets into full operation. This mill, located near San Salvador, will utilize Japanese machinery and technicians, and is expected to be in full operation by about March 1957. Most of the cotton used by the industry is locally grown, only small quantities are imported.

Cotton exports from El Salvador amounted to 155,000 bales during August-July 1955-56, as compared with only 40,000 bales in 1954-55. Principal destinations of cotton exports have been Japan, Federal Republic of Germany, and the United Kingdom, with smaller quantities to Canada, the Netherlands, France, and Belgium. Approximately 90,000 to 100,000 bales from the 1956-57 crop are expected to be available for export this year.

Cotton stocks in El Salvador on August 1, 1956, were estimated at 15,000 bales as compared with the unusually high stocks of 50,000 bales held a year earlier.



# COTTON ACREAGE AND PRODUCTION REDUCED IN GUATEMALA

Cotton acreage in Guatemala for the 1956-57 crop is currently estimated at 35,000 acres, a reduction of 33 percent from last year's all-time high of 52,000 acres, and 10 percent below the 1954-55 area of 39,000 acres. Cotton production for 1956-57 is estimated at 40,000 bales (500 pounds gross), down only 11 percent from last year's peak crop of 45,000 bales. Favorable weather conditions and reduced planting on marginal land accounted for the larger yields which partially offset the sharp reduction in area.

This reversal of the recent upward trend of cotton production in Guatemala is attributed to a combination of factors, including lower export prices in 1955-56, relatively poor yields because of unfavorable weather, and the fact that a large part of the increased plantings during the past several years was on marginal land. Stabilization of the cotton acreage at about the present level is considered likely by informed sources.

## GUATEMALA: Cotton acreage, production, and yield per acre, 1950-56

Year beginning August 1	Acreage	Production	Yield per acre
	1,000	1,000	
	acres	bales 1/	Pounds lint
1950.....	6	4	320
1951.....	20	11	264
1952.....	22	16	349
1953.....	27	27	480
1954.....	39	40	492
1955.....	52	45	415
1956 est.....	35	40	549
1/ Bales of 500 pounds gross.			

Domestic consumption of cotton in Guatemala amounts to about 12,000 bales per year. It is expected to increase slightly in 1956-57, and to expand still further in several years if present plans for new textile mills materialize.

Cotton exports from Guatemala were estimated at 32,000 bales during August-July 1955-56, as compared with 26,000 bales in 1954-55 and 17,000 in 1953-54. Principal destinations of Guatemala's cotton exports in recent years have been Japan, Federal Republic of Germany, the United Kingdom, the Netherlands, and Belgium. Cotton stocks on August 1, 1956, were estimated at 7,000 bales as compared with 5,000 bales held a year earlier.



#### DROUGHT IN TURKEY MAY REDUCE BEAN SUPPLIES

Extensive drought is reported in the Great Plains area of Central Turkey, the heart of the bean producing area.

Almost one-half of the 2.5 million bags of beans normally produced in Turkey are located in the Central Plains.

Prior to 1950, Turkey exported as much as 400,000 bags of white beans per year into Western Europe in competition with United States exports. Since 1950, Turkish exports have declined sharply and have receded into nearby areas such as Israel, Greece, and Italy. If this year's drought has significantly reduced Turkish production, Middle East importing markets will purchase larger supplies elsewhere than Turkey.

In September 1956, Israel purchased nearly 20,000 bags of United States beans under P.L. 480. The United States has been an important source of beans for Israel in every year since 1951 with exports ranging from 40,000 to 140,000 bags per season. Greece and Italy also import beans from the United States.

#### CANADA HARVESTS RECORD RAPESEED AND MUSTARD SEED CROPS

Production of rapeseed and mustard seed in 1956 rose to record levels in the Prairie Provinces of Canada. Preliminary information reported by the Dominion Bureau of Statistics indicates a 1956 rapeseed harvest of 157,500 short tons from 357,000 acres, compared with 38,700 tons produced from 136,200 acres in 1955. Saskatchewan, by far the major producing province, expects an outturn of 127,500 tons from 300,000 acres. The remainder is grown in Manitoba and Alberta.

Mustard seed production in the Prairie Provinces is forecast at almost 57,475 tons from 135,300 acres, compared with 24,829 tons from 78,500 acres in 1955. Alberta, where most of the commercial mustard seed in Canada is produced, anticipates a harvest of 57,400 tons from 135,000 acres. The remainder of the Canadian crop is produced in Manitoba.

Sunflower seed, produced entirely in Manitoba, is expected to total 8,750 tons from 25,000 acres, compared with 7,200 tons from 18,000 acres last year.

SEPTEMBER PHILIPPINE COPRA EXPORTS  
AT NEW HIGH FOR YEAR

Philippine exports of copra in September increased nearly one-fifth from the previous month, while exports of coconut oil dropped over one-fifth. Prices in mid-October remained essentially the same as a month earlier.

Copra exports in September were 111,958 tons, the highest monthly figure since the 113,764 tons exported in March, 1947. As in recent months, these exports went predominantly to Europe. Destinations and quantities were as follows: United States - 31,663 tons (Pacific Coast - 23,542, Atlantic Coast - 8,121); Canada - 500; Belgium - 3,500; Denmark - 2,450; Germany - 5,500; Italy - 4,500; Netherlands - 16,600; Norway - 1,000; Spain - 645; Sweden - 2,000; Europe, unspecified - 25,350; Lebanon - 900; Colombia - 11,200; Venezuela - 6,150. January-September copra exports at 724,655 tons were up 28 percent from the 567,615 tons exported in the comparable period of 1955.

Coconut oil exports in September totaled 6,466 tons. Destinations and quantities were as follows: United States - 5,632 (Atlantic Coast only); Europe, unspecified - 834.

Combined exports of copra and oil in September, equivalent to 122,221 long tons of copra, represented a gain of 16 percent over the previous month and were over 30 percent larger than in September 1955. January-September shipments of copra and coconut oil totaled 841,590 tons of copra equivalent, 29 percent more than the 651,856 tons exported in the corresponding period of 1955.

The copra export price in mid-October was \$150.00 per short ton c.i.f. Pacific Coast (mid-September \$148.00; mid-August \$152.50; mid-July \$146.00 to \$147.50). Local buying prices were reported at 23.10 to 26.00 pesos per 100 kilograms (\$117.35 to \$132.09 per long ton), resecada Manila and producing area.

INDONESIA'S EXPORTS OF COPRA DOWN FROM 1955;  
EXPORTS OF PALM KERNELS AND PALM OIL UP

Officially reported exports of copra from Indonesia during the first 8 months of 1956 totaled 139,345 long tons compared with 163,267 tons exported in the corresponding period of 1955.

Exports of palm kernels during the January-August period of this year were 25,062 tons, as against 22,984 tons exported during the first 8 months of 1955. Palm oil exports rose from 57,726 tons during January-August 1955 to 80,964 tons during the comparable period of 1956.

## INCREASED SOVIET GRAIN EXPORT COMMITMENTS

The extent of the Soviet Union's increased activity in the world's grain market during 1956 is becoming more apparent. Known commitments to export wheat to non Communist countries up to October 15, 1956, amounted to about 40 million bushels, as compared with shipments of about 15 million bushels in 1955 and a little over 20 million in 1954.\* Some of the wheat committed in 1956 may be actually exported in 1957. On the other hand, the Soviet Union purchased nearly 15 million bushels of wheat from Canada, which is being shipped to the Soviet Pacific ports.

Egypt with close to 15 million bushels and Yugoslavia with 11 million are the largest buyers of Russian wheat. (Small quantities of wheat have been shipped as gifts to Pakistan and Iran.) The rest is taken mostly by Denmark, Norway, and Finland.

Export commitments for other grains have also increased, amounting to nearly 360,000 short tons up to October 15, 1956, compared with shipments of a little more than 250,000 in 1955, and close to 280,000 short tons in 1954. Total wheat and other grain export commitments up to October 15, 1956, amounted to nearly 1.7 million short tons compared with close to 700,000 in 1955 and around 960,000 in 1954. In addition to grain exports to non Communist countries, sizable quantities of grain will probably again be shipped to the Soviet Bloc countries, such as Czechoslovakia and East Germany, which normally are grain deficit areas.

The increased grain exports probably reflect in part the stepped-up Soviet drive for economic penetration of the underdeveloped countries, as is the case with Egypt. It probably also reflects a good harvest this year, and increased procurements of grain by the Soviet government. The Soviet Union has lost since World War I the leading position it once occupied in the world grain export trade, when annual Russian exports of wheat and other grains averaged more than 12 million short tons (1909-10 to 1913-14).

\*Based on statistics of importing countries.

U. S. COTTON EXPORTS  
UP SHARPLY IN AUGUST

Exports of cotton from the United States in August 1956 amounted to 440,000 bales of 500 pounds gross (423,000 running bales), more than 3 times July exports of 140,000 bales, and about 7 times the exports of 63,000 bales in August 1955. This sharp upturn marks the first month of cotton exports under the 1956-57 competitive-bid export program from stocks of the Commodity Credit Corporation. Total sales under this program through October 2, 1956, amounted to 4,167,000 bales. Exports by country of destination will be published in Foreign Crops and Markets next week.

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